United Nations E/2018/SR.14

Economic and Social Council

Distr.: General
2 April 2018

Original: English

2018 session
27 July 2017–26 July 2018
Operational activities for development segment

Summary record of the 14th meeting
Held at Headquarters, New York, on Thursday, 1 March 2018, at 3 p.m.

President: Mr. Pecsteen de Buytswerve (Vice-President) ..... (Belgium)

Contents

Agenda item 7: Operational activities of the United Nations for international development cooperation (*continued*)

(a) Follow-up to policy recommendations of the General Assembly and the Council (*continued*)

(b) Reports of the Executive Boards of the United Nations Development Programme/United Nations Population Fund/United Nations Office for Project Services, the United Nations Children's Fund, the United Nations Entity for Gender Equality and the Empowerment of Women, and the World Food Programme (*continued*)

Closing of the segment

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18-03253 (E)

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In the absence of Ms. Chatardova (Czechia), Mr. Pecsteen de Buytswerve (Belgium), Vice-President, took the Chair.

The meeting was called to order at 3.05 p.m.

Agenda item 7: Operational activities of the United Nations for international development cooperation (*continued*)

(a) Follow-up to policy recommendations of the General Assembly and the Council (*continued*) (A/72/124-E/2018/3, A/72/684-E/2018/7 and A/73/63-E/2018/8)

(b) Reports of the Executive Boards of the United Nations Development Programme/United Nations Population Fund/United Nations Office for Project Services, the United Nations Children's Fund, the United Nations Entity for Gender Equality and the Empowerment of Women, and the World Food Programme (*continued*) (E/2017/34/Rev.1, E/2018/36 and E/2018/65)

1. **Mr. Salarzai** (Afghanistan) said that the Council must use the reform of the United Nations development system to better integrate the humanitarian, development and peacebuilding dimensions of its work. A "whole-of-system" approach was critical in countries that were implementing the 2030 Agenda for Sustainable Development while dealing with conflict or humanitarian crises. In that regard, he supported the proposal contained in the report of the Secretary-General (A/72/684-E/2018/7) to use the operational activities for development segment to enhance guidance on the development system's coordination with humanitarian assistance and peacebuilding efforts. Furthermore, resident coordinators should be better prepared to work across the development-humanitarian-peacebuilding continuum, and inter-agency mobility, including across United Nations pillars, should be incentivized to strengthen the pipeline for future resident coordinators. The Council's role as an intergovernmental space for reinforcing the Organization's transition to a culture of prevention and focus on results should be consolidated, and the establishment of the Joint Steering Committee to advance humanitarian and development collaboration was also welcome.

2. The creation of a new generation of United Nations country teams and the reinvigoration of the resident coordinator system must be underpinned by the objectives of increased quality and efficiency and better coordination of operations in host countries. Those objectives entailed reducing transaction costs at all levels, and respecting national sovereignty and ownership of the development process. Afghanistan hosted a significant volume of United Nations operations and a special political mission; as such, he looked forward to a strengthened development system that would better support his Government, and was hopeful that dual reporting lines along with strengthened accountability would result in greater impact on the ground through the achievement of collective results under United Nations Development Assistance Frameworks (UNDAFs).

3. A revamped regional approach was crucial. Countries in special situations, in particular least developed countries and landlocked developing countries, needed tailored support for regional connectivity and economic cooperation. The United Nations development system must better align its regional activities with countries' priorities and needs, and ensure that the regional economic commissions built synergies with other platforms for implementation of the 2030 Agenda.

4. **Mr. Buttigieg** (Observer for Malta) said that his delegation supported the Secretary-General's reform agenda, which would not only strengthen the implementation of the 2030 Agenda, but would also allow the United Nations to evolve in response to new and emerging challenges, to continue leading with authority and to fulfil its ultimate aims of serving, supporting and protecting. All States must engage in the discussions on repositioning the United Nations development system, irrespective of their size or international standing, for the reforms to be truly representative, State-driven and State-owned.

5. As part of the reform process, the United Nations should identify areas where it performed well and others where it might benefit from partnering with other international organizations. The current proposals of the Secretary-General were a step towards increased impact, visibility, accountability and relevance for the Organization on the international stage. More impartial and independent resident coordinators would benefit United Nations country teams, which should also be restructured to enhance coordination and increase impact on the ground. With regard to the proposed funding compact, the system must be modernized and made flexible, sustainable and cross-sectoral. Partnerships with the private sector and other international organizations, including international financial institutions, could provide a broader and more diverse contributor base. It was important to identify areas where savings could be made in order to reinvest them in the United Nations development system.

6. The regional development architecture should be evaluated with a view to eliminating duplication of work and streamlining the system, and the functioning of the Council could be improved through the elimination of inefficiencies, such as unnecessary bureaucracy.

7. **Ms. Fladby** (Norway) said that as a major contributor to the United Nations development system, Norway wanted to see better common results and enhanced efficiency gains. Norway supported the vision of the Secretary-General for further reform.

8. Specifically, it welcomed the proposal concerning a new generation of country teams based on the agreed priorities of UNDAFs. The country teams should also embody the values of the Charter of the United Nations, and international norms and standards. Resident coordinators must be impartial and imbued with authority. There should be a reporting line from country representatives to the resident coordinator, and substantially enhanced joint resource mobilization, possibly beyond what had been agreed in the quadrennial comprehensive policy review. Moreover, the resident coordinator system needed sufficient and predictable funding.

9. Accountability was crucial for achieving results and enhancing confidence in the United Nations; as such, Norway was confident that the Secretary-General would ensure that all managers, particularly senior managers, were made accountable for common results and engagement in the reform efforts.

10. Reform also placed demands on Member States. The proposed funding compact was a way to reverse the trend of increasingly fragmented funding. Better delivery at country level, which could be assessed on the basis of well-documented country results and cost savings, would be the litmus test for the success of the reforms. Therefore, commitments to such results and savings should be included in the compact. Mutual commitments must be complete and monitored.

11. The overall reform efforts required the United Nations development system as a whole, and all its constituent entities, to implement all the provisions of the quadrennial comprehensive policy review. The report of the Secretary-General on the implementation of General Assembly resolution 71/243 (A/73/63-E/2018/8) showed that there was still much work to be done on that front. For instance, the ability of development system entities to track the resources used for gender equality and women's empowerment remained limited, yet gender mainstreaming was a prerequisite for sustainable development and ensuring that no one was left behind. Stronger, concerted efforts were needed in that regard.

12. **Mr. Munir** (Observer for Pakistan) said that the process of reforming the United Nations development system and its outcomes should be guided by the following six principles: poverty eradication; a continued focus on development; national ownership and leadership, and accountability to Governments; development work as part of a continuum with humanitarian work and peacebuilding efforts; scaled-up and predictable core financial resources; and the coverage of gaps in the Sustainable Development Goals.

13. The proposed demand-driven model for the new generation of United Nations country teams should be underpinned by measures to enhance their capacity to support the achievement of Sustainable Development Goal 6 on water and sanitation; Goal 7 on energy; Goal 9 on infrastructure and industrialization; Goal 13 on climate change; Goal 14 on sustainable use of the oceans; and Goal 15 on sustainable use of ecosystems. In addition, country team configuration and presence should be determined in consultation with Governments.

14. Reform of the resident coordinator system must ensure that resident coordinators were accountable to Governments, with clear reporting lines and no political role or function; that their development focus was not undermined by mobility across the United Nations pillars; that no single entity had full responsibility for the resident coordinator system, for the sake of impartiality and independence; and that funding arrangements did not create any additional burdens for developing countries.

15. Comprehensive reform of the development system at the regional level was critical to achieving the desired coherence, efficiency and effectiveness. The proposed United Nations system-wide strategic document (A/72/684-E/2018/7, annex) would also need to be overhauled once the shape of the reform of the development system was finalized. The system's current inability to address gaps in implementation of the 2030 Agenda was a matter of concern.

16. **Mr. Fialho Rocha** (Observer for Cabo Verde) said that delivering as one, supported by the Joint Office in Cabo Verde since 2006, had resulted in a well-integrated UNDAF that aligned the country's national development strategy with the 2030 Agenda. As such, the experience of Cabo Verde could usefully inform the development of a new generation of United Nations country teams and the reinvigoration of the resident coordinator system.

17. In order to leave no one behind, the reform process must incorporate mixed responses and solutions that addressed both the competitiveness and resilience needs

of small island developing States and middle-income countries. The transition from the Millennium Development Goals to the Sustainable Development Goals implied a need for increased integration and interconnection. The greater number of objectives necessitated the presence of more United Nations agencies as part of country teams; however, the reticence of some agencies to join UNDAFs and the decline in resources were obstacles that the reform process should address.

18. **Mr. Paust** (Germany) said that Germany was willing to contribute to the reform of the United Nations development system as best it could. Member States should work together, and member organizations of the United Nations Development Group (UNDG) should engage fully with the reform process, even if it had implications for their material autonomy. Germany would monitor engagement carefully through the different executive boards of UNDG members to make sure that the unique reform opportunity was not wasted.

19. Germany strongly supported the general direction of the reform and would actively participate in the upcoming negotiations on the reform package. It particularly welcomed the proposed strengthening of UNDAFs, efforts to streamline United Nations country teams and the goals of delinking and strengthening resident coordinator functions. However, in view of the criticisms of the previous development system, the future role of the United Nations Development Programme (UNDP) must be defined still more clearly. Germany supported the organizational restructuring of the United Nations Development Operations Coordination Office to enable it to better exercise its independent oversight role over the resident coordinator system, as well as the ambitious and swift reprofiling of the regional-level structures.

20. His delegation also supported the proposed funding compact and shared the Secretary-General's analysis that the financing mechanisms of the United Nations development system needed to be modernized. Germany agreed to formulate proposals for the implementation of the compact and to explore to what extent better financing could be provided. However, certain issues needed to be clarified first, such as which specific commitments would be made in exchange for donors providing better quality funding.

21. **Mr. Chandrtri** (Observer for Thailand) said that his delegation hoped that the input provided on the repositioning of the United Nations development system would be incorporated into the President's summary of the operational activities for development segment and fully taken into consideration by the co-facilitators in their preparation of the relevant draft resolution on the repositioning process.

22. Echoing the Secretary-General's remarks at the opening of the segment, he said that full implementation of the 2030 Agenda was under threat, trust was being eroded and multilateralism was being questioned. It was important to keep faith in the United Nations system and the reform process. Member States should convey their positions frankly, while remaining open and flexible; after all, they bore a shared responsibility for making the United Nations fit for purpose in order to better serve people.

23. **Ms. Amadeo** (United States of America) said that the success of the reform initiative would ultimately be assessed on whether it advanced truly sustainable development on the ground. Proposals for improving country-led coordination and coherence, strengthening transparency and accountability, rationalizing field presence, ensuring independent evaluation and making business operations more efficient could contribute significantly to such success. Many of the proposed reforms could and should be taken under the existing authorities, but other areas needed refinement.

24. While fully supporting better cohesion and coherence across agencies, she did not believe that a merger of executive boards of funds and programmes would help to achieve that goal, and neither would a resident coordinator system funded by assessed contributions. Greater system-wide policy cohesion and oversight of the funds and programmes could be achieved without weakening their accountability to their boards or to Member States.

25. The United States supported the call for a reinvigorated resident coordinator system, with resident coordinators who were independent of any one agency and served solely to lead United Nations country teams towards achieving a greater impact. However, funding the resident coordinator system through assessed contributions would politicize the system and diminish its independence. Rather than a wholesale reconfiguration, it was preferable to make the minimum changes necessary to ensure the system's independence. The proposal of funding the resident coordinator system from the regular assessed budget contradicted the principle that the operational activities for development of the United Nations should remain voluntary and grant in nature, in accordance with the quadrennial comprehensive policy review. Instead, the United Nations should continue to use the voluntary funding model, with dedicated streams of funding sources, including donor contributions, inter-agency cost-

sharing, and/or agency contributions from their cost recovery income.

26. She called for a sharper focus on efficient and effective outcomes that would help those in need. If Member States worked together and championed truly bold but sensible reforms, the United Nations would emerge as a stronger, more effective, more just and greater force for peace and prosperity in the world.

27. **Ms. Gueguen** (France) said that the reform process should address all three dimensions of sustainable development. The cornerstone of the reform, the reinvigoration of the resident coordinator system and the reconfiguration of United Nations country teams, should result in the appointment of resident coordinators with the authority, skills and means required to fulfil their mission of coordinating the country teams on the ground. The reform should also give resident coordinators the legitimacy they needed in the eyes of agencies, funds and programmes, as well as host Governments. Resident coordinators should be well-positioned to put in place coherent policies, in coordination with humanitarian and peacekeeping actors, in order to contribute to the peace-security-humanitarian-development nexus.

28. The adaptation of United Nations presence on the ground should allow the Organization to focus on those most in need — the least developed countries, fragile societies and small island developing States. The reconfiguration of country teams should lead to streamlining of the system, which would include the secondment of experts from the specialized agencies, funds and programmes to field structures, and the sharing of offices and support services.

29. France remained committed to extensive reform of the Department of Economic and Social Affairs and the regional economic commissions. Those institutions should work efficiently, collaboratively and coherently, making use of their proven comparative advantages and avoiding duplication of work, in order to capitalize on their sustainable development expertise. France was committed to supporting the Secretary-General in the reform process to implement the ambitious 2030 Agenda.

30. **Mr. Viera Salazar** (Ecuador) said that a flexible approach should be taken to the repositioning of the United Nations development system, to ensure that it responded to the needs, visions, realities and specificities of each country and region.

31. The composition, skills, and programmatic focus of country teams should reflect the conceptual paradigm shift embodied in the Sustainable Development Goals. The United Nations development system's country presence should also be tailored to meet national needs and priorities, while taking into account the 2030 Agenda and other internationally agreed goals such as the New Urban Agenda. Consolidating the physical presence in countries was important, but entities should not suspend their work during that process. Instead, they should be made more effective and interconnected.

32. The resident coordinator system should be a model of integrated work that accelerated achievement of the Sustainable Development Goals. The development system must support countries to mobilize resources, including by providing financing and capacity-building in support of economic objectives such as sustained and inclusive economic growth, industrial development, infrastructure development and economic diversification.

33. Marginalization of the regional dimension of development must be avoided and the scope of action of the regional commissions should not be restricted. The latter should continue to work on such areas as financing for development, macroeconomic policy and urban development. Similarly, while it was vital to have a clear structure that eliminated overlaps, direct interaction between the regional commissions and Member States should not be overlooked and, if anything, should be enhanced. Ecuador wished to maintain its current level of interaction with the Economic Commission for Latin America and the Caribbean.

34. **Mr. Locsin, Jr.** (Philippines) said that the process of aligning the United Nations development system with the mandates of the quadrennial comprehensive policy review was still in its initial stages. As it advanced, the overarching objective, eradicating poverty in all its forms and dimensions, must be kept in view. However, addressing some forms of poverty in some of its dimensions straight away would already be worthwhile. That would necessitate moving away from traditional methods of evaluating development — on the basis of macroeconomic indicators — to evaluation criteria that focused on enlarging human capacity.

35. The reform process must be underpinned by efforts to address the specific challenges faced by middle-income countries. That mandate, as contained in both General Assembly resolution 71/243 and the 2030 Agenda, would affect the design of the new generation of country teams and the reinvigoration of the resident coordinator system.

36. The United Nations development system must address the specific Sustainable Development Goals identified by countries as priorities, and accelerate the shift, in terms of focus and resources, from the

Millennium Development Goals to the Sustainable Development Goals. In addition, a realistic funding mechanism was needed; the decline of core contributions must be addressed and no additional burden placed on programme countries.

37. National leadership and ownership must be the bedrock of UNDAFs and guide the work of all United Nations country teams. The United Nations should work through Governments, not around them. It was essential that UNDAFs were not politicized, and that achieving the Sustainable Development Goals remained the priority.

38. **Ms. Kalamwina** (Observer for Zambia) said that the United Nations development system reforms should lead to concrete outcomes for enhanced implementation of the 2030 Agenda. The development system should be responsive, and meet countries' different development needs, a factor to be taken into consideration especially in the reconfiguration of United Nations country teams and the resident coordinator system. Sovereignty, leadership and ownership of national development processes must guide the repositioning, and the differences in national development levels, capacities, and realities on the ground should be taken into account.

39. Eradicating poverty in all its forms and dimensions must be kept in sight, as the overarching objective of the reform proposals. The quadrennial comprehensive policy review was the main instrument for better positioning the United Nations development system and for building the capacity of developing countries, particularly vulnerable landlocked developing countries such as Zambia.

40. Increased regular and sustainable funding for the United Nations development system and the 2030 Agenda was needed to bolster national efforts to foster national sustainable development. As such, improved core funding for the United Nations development system was of critical importance.

41. **Mr. Kulikov** (Russian Federation) said that, while his country supported the main aims of the reform package, many issues still needed to be discussed. Significant spending was proposed on the reforms and on the centralization of management, yet the positive impact the reform package would have was not clear. Since the United Nations development system was a unique structure with a capitalization of $30 billion, an extremely balanced and considered approach to its reform was needed.

42. In the quadrennial comprehensive policy review, Member States had agreed on a course for the further improvement of the United Nations development system, including on system-wide aspects of the work of the programmes, funds and specialized agencies that participated in efforts to achieve the Sustainable Development Goals. As such, the Russian Federation was not prepared to act on an "all-or-nothing" principle regarding the reform package or certain of its provisions that went beyond, or ran counter to, the quadrennial comprehensive policy review. In particular, it was not necessary to recreate the resident coordinator system, or to give resident coordinators new competencies. The proposed model did not appear to take into account the collegial joint principle governing management of the resident coordinator system that was enshrined in paragraph 53 of General Assembly resolution 71/243. There was insufficient basis for the recommendations and no alternative scenarios were presented.

43. The assertions regarding the efficiency of merging the Executive Boards of the New York-based funds and programmes were contentious. It was doubtful that combining them would cut costs, particularly given the differences in the membership and size of the Executive Boards, and in view of the proposal to organize an additional session of the operational activities segment of the Council in Geneva. Given that the agencies had specialized mandates, combining their Executive Boards might in fact intensify competition among them, and increase bureaucracy. Moreover, such a step was unnecessary: system-wide matters could easily be discussed in the existing operational activities segment.

44. Given the existing difficulties in funding the development system, creating new entities, such as the proposed independent system-wide evaluation unit, seemed problematic. Although the possibilities for conducting joint evaluations were currently limited, the option of separating off one of the most important functions of the development system, instead of strengthening it on the basis of the Joint Inspection Unit and the United Nations Evaluation Group, did not appear to be optimal.

45. The outcome of the discussions on the Secretary-General's proposals should be a consensus document based primarily on implementing the provisions of the quadrennial comprehensive policy review and meeting the needs of the most vulnerable countries.

46. **Mr. Tierney** (Ireland) said that the Secretary-General's report (A/72/684-E/2018/7) provided a strong basis for moving forward. Ireland supported the focus on empowering resident coordinators to improve the coherence of United Nations country teams. The continuing focus on least developed countries was important, as was the need to improve coordination with the World Bank and the other international financial

institutions. Ireland particularly welcomed the new ways of working being devised, including the strengthening of country-level outreach, beyond United Nations country teams, to civil society, the private sector and other stakeholders. The United Nations could not achieve everything on its own.

47. Ireland would continue to provide flexible and coordinated funding to the United Nations development system, and to support pooled funding, which, if properly targeted, could catalyse achievement of the Sustainable Development Goals. His delegation looked forward to the proposed dialogue with the Secretary-General regarding the funding compact. Ireland was currently reviewing its aid policy in order to better respond to the challenge posed by the Goals. Differences would inevitably emerge as the reform process advanced, but progress had already been made and should be encouraged further: the perfect should never be the enemy of the good.

48. **Mr. Gomez** (Observer for Sweden) said that the purpose of the reforms was to ensure that the United Nations development system had the capacity to support countries in delivering on the 2030 Agenda. The development system must act coherently at the country level, taking a flexible approach tailored to country needs. United Nations country teams must be able to combine operational and normative support across all the dimensions of sustainable development. For instance, they must be able to access gender, humanitarian, human rights and peace and development advisors as needed.

49. An effective United Nations at the country level required strong leadership. Sweden fully supported the proposals to ensure impartial, independent and empowered resident coordinators. However, independence must dovetail with increased authority, beyond a mere coordination mandate. Resident coordinators must have access to significant funds to incentivize collaboration and catalyse system-wide activities, as highlighted in the reports of the Secretary-General on repositioning the development system (A/72/124-E/2018/3 and A/72/684-E/2018/7).

50. Lastly, improved and adequate funding for the United Nations development system was needed. Sweden welcomed the proposed funding compact. However, for the compact to work, the development system must regain the trust of Member States through results-based management, system-wide results, cost effectiveness, long-term impact, accountability and transparency. Member States had a responsibility to act coherently and ensure more long-term, predictable and flexible funding to the system.

51. **Mr. Gayito** (Observer for Ethiopia) welcomed the Secretary-General's ambitious proposals to reposition the United Nations development system, in particular their focus on fostering national ownership of efforts to reduce poverty and promote sustainable development. The proposed reforms must support developing countries, especially least developed countries, by paving the way for the emergence of a new generation of United Nations country teams capable of responding to the national priorities reflected in UNDAFs. While reinvigorating the resident coordinator system would be a positive step towards enhancing transparency, effectiveness and coordination at the national level, the proposal to fund the system through assessed contributions should not impose an additional financial burden on developing countries. Regional economic commissions such as the Economic Commission for Africa must also be strengthened. In addition, an adequate, predictable and flexible funding mechanism that addressed the imbalance between core and non-core resources was required in order to enhance the Organization's efficiency and ability to fulfil its commitments under the 2030 Agenda and the Addis Ababa Action Agenda of the Third International Conference on Financing for Development, and funding programmes should be aligned with national development plans. Scaling up global partnerships would also be critical for the effective and timely implementation of the two Agendas.

52. **Ms. Khyne** (Observer for Myanmar) said that the configuration of United Nations country teams should be determined in consultation with host Governments. Country teams must respond to national development priorities and ensure the active involvement of host Governments in formulating and implementing UNDAFs. Similarly, resident coordinators must maintain their focus on development, under the leadership of host Governments, and must be strong sustainable development professionals. Her delegation looked forward to the concrete recommendations, to be formulated at the funding dialogue proposed by the Secretary-General, on how to ensure predictable and sustainable funding for the United Nations development system without imposing additional programme budget requirements.

53. In line with the 2016 quadrennial comprehensive policy review, Myanmar strongly supported the enhancement of local and global partnerships, in particular collaboration between the United Nations development system and international financial institutions in support of the 2030 Agenda. In that connection, her Government had recently established a development assistance policy containing the first

comprehensive set of policy guidelines on the effective and transparent use of development assistance. Greater efforts should be made to address the challenges faced by least developed countries, including by continuing to allocate development funding to them as a matter of priority, in accordance with General Assembly resolution 71/243.

54. **Mr. Sandoval Mendiolea** (Mexico) said that Mexico was participating in the adaptation of the United Nations development system to the demands of the 2030 Agenda and appreciated the initial measures taken by the Secretary-General in that regard, in particular the appointment of the Deputy Secretary-General as UNDG Chair and the establishment of the Joint Steering Committee to advance humanitarian and development collaboration.

55. His delegation welcomed the Secretary-General's proposals on country teams and resident coordinators and agreed that UNDAFs, negotiated with host Governments and aligned with national development needs, should be used as a road map for the activities of agencies, funds and programmes. In view of the proposed separation of the functions of the resident coordinator and the UNDP resident representative, he sought clarification on the intended use of the contributions that some Governments were already making to maintain the presence of UNDP in-country.

56. The proposals to strengthen the work of the United Nations development system at the regional level must take into account differences between regions and subregions in order to avoid a one-size-fits-all approach. In that connection, in the General Assembly, Mexico would seek to ensure the strengthening of the mandate of the Economic Commission for Latin America and the Caribbean.

57. The Council's deliberative role must be enhanced to ensure optimal follow up of the 2030 Agenda and, in its negotiations on development reform, the General Assembly should consider how to make the most effective use of the operational activities segment, in particular whether it could serve as a forum to advance discussions on the proposed establishment of a joint executive board for the New York-based funds and programmes.

58. His delegation supported the proposed increase in inter-agency pooled funds and entity-specific thematic funds, provided that the related resources were primarily used to finance projects on the ground aimed at ensuring no one was left behind, rather than to cover the administrative costs of the funds themselves. The value of non-monetary contributions such as knowledge, expertise, best practices and support for capacity-building should also be considered.

59. **Mr. Poudel Chhetri** (Observer for Nepal) said that General Assembly resolution 71/243 contained valuable guidance for aligning the United Nations development system with the demands of the 2030 Agenda by strengthening the development pillar and enhancing the Organization's effectiveness, efficiency and coherence in supporting countries' efforts to fulfil their sustainable development needs. In line with the recommendations outlined in the Secretary-General's report on the implementation of General Assembly resolution 71/243 (A/73/63-E/2018/8), the United Nations development system should provide targeted support for vulnerable countries such as landlocked developing countries and small island developing States, which faced particular challenges in implementing Sustainable Development Goals 6, 7 and 9. Moreover, any changes to the resident coordinator system must take into account ongoing operational activities and ensure the system's improved functioning and effectiveness.

60. The proposed funding compact would ensure the predictability of funding, reduce overlaps and inter-agency competition over resources, and improve coordination. His delegation particularly supported the proposals to increase the share of core resources and improve the quality and flexibility of non-core resources, and highlighted the importance of aligning funding with the priorities of programme countries. Efforts to reposition the United Nations development system must address gaps, promote synergies and improve transparency and accountability, while avoiding the politicization of development issues.

61. **Mr. Mikayilli** (Azerbaijan) said that, as emphasized in the Secretary-General's reports on repositioning the United Nations development system, more than half of development budgets continued to be allocated to activities related to Sustainable Development Goals 1 to 5, which primarily represented the unfinished business of the Millennium Development Goals. It was therefore necessary to expedite reforms to make the Organization more strategic, transparent, efficient and results-focused in supporting countries' efforts to achieve the Sustainable Development Goals.

62. The proposed reforms must focus on strengthening national ownership, including in preparing, implementing, monitoring and evaluating UNDAFs; on responding to national development needs; and on achieving results on the ground. Resident coordinators must work in close collaboration with Governments in an independent and impartial manner, and geographical

balance must be achieved in the related appointment process. In addition, special attention should be given to the needs of least developed countries, in particular small island developing States and landlocked developing countries, and to increasing the quantity and predictability of core resources in order to preserve the neutrality and multilateral nature of the United Nations development system.

63. **Mr. García Moritán** (Observer for Argentina) said that the Secretary-General's report (A/72/684-E/2018/7) contained concrete ideas for improving coordination on the ground and using resources more efficiently, including proposals to co-locate and merge the country offices of the United Nations information centres with resident coordinator offices, and to consolidate common business services and back-office functions at the country level. Earmarked contributions for development activities should be reduced and core resources proportionally increased. It was unclear how the merging of the executive boards of the funds and programmes would contribute to coherence, particularly as it might have a negative impact on those entities' mandates, reduce the availability of information on their work for consideration by Member States and undermine equitable geographical representation.

64. The proposals to improve the United Nations development system at the regional level should consider the specificities of each region, and attempts should not be made to reinvent the system's regional architecture without a prior evaluation aimed at preserving those elements that were functioning effectively. Moreover, given that the primary responsibility for the implementation of the 2030 Agenda lay with Member States, they should play a central role in evaluating the Organization's presence on the ground.

65. **Ms. O'Connor** (United Kingdom) said that, in order to ensure the accountability of the United Nations development system to the Governments and people it served, common objectives and coherent strategic priorities must be established in alignment with local needs; emphasis must be placed on achieving results; and optimal use must be made of available resources by realizing efficiencies, including by consolidating back-office functions. The accountability of the system to Member States must also be improved by strengthening the relationships between entities and their governing bodies; reducing fragmentation; ensuring that all entities in the system were held to the same standards and were truly committed to improvement and sharing best practices; and harmonizing methods of monitoring, collecting and using data. To that end, the proposed establishment of an independent, system-wide evaluation function and the enrolment of all United Nations entities in the International Aid Transparency Initiative, which would allow Governments to access information online regarding the Organization's activities and expenditures in-country, would be essential.

66. The proposed funding compact would be important for ensuring the accountability to investors of individual entities and the system as a whole, and could serve as a starting point for conversations about how to attract additional substantial investments from a wider range of sources in order to guarantee predictable funding.

67. Council members' agreement on many of the proposed reforms demonstrated the strong collective commitment to achieving the 2030 Agenda, and she hoped that the Secretary-General had already begun implementing those reforms that did not require the agreement of Member States.

68. **Mr. Decorte** (United Nations Human Settlements Programme (UN-Habitat)) said that UN-Habitat was going through its own member States-led reform, in compliance with General Assembly resolution 72/226. The open-ended Working Group established pursuant to paragraph 6 of that resolution had just started its work and would be submitting a proposal on the reform of UN-Habitat by the end of June 2018. Moreover, the new Executive Director of UN-Habitat was strongly committed to a more transparent, accountable, efficient, effective and coherent United Nations development system.

69. Each United Nations agency had a specific mandate and expertise that must be used in an efficient and cost-effective manner to provide integrated support to countries, cities and communities. That was particularly important for such non-resident agencies as UN-Habitat.

70. Collaboration among United Nations programmes and entities was essential, and the proposed United Nations system-wide strategy on the implementation of the New Urban Agenda, the related elements of the 2030 Agenda, the Multi-Partner Implementation Facility for Sustainable Urban Development and the Joint Policy Fund to Advance the 2030 Agenda through Integrated Policy would all be important tools in ensuring coherence and having a greater impact at the country level.

71. UN-Habitat was committed to transforming itself into an outward-looking agency, maximizing its contribution to joint United Nations efforts and working

towards more evenly balanced partnerships with non-United Nations stakeholders.

72. The ninth session of the World Urban Forum had demonstrated the convening power of the United Nations by bringing together 22,000 participants, including more than 100 ministers and deputy ministers, from 165 countries, who had debated concrete implementation and partnership models to build cities for all, using the New Urban Agenda as a tool to achieve the Sustainable Development Goals. That event could form the basis for future work.

73. **Ms. Jappie** (International Trade Centre (ITC)) said that, as a new member of the United Nations Development Group, ITC was fully committed to the repositioning of the United Nations and to supporting the Secretary-General's efforts to implement reform. The Strategic Plan 2018–2021 of ITC was fully aligned with the quadrennial comprehensive policy review, the results of its programme portfolio were linked to specific Sustainable Development Goals and its work was designed and implemented with partners from within and outside the United Nations development system.

74. As a joint agency of the United Nations and the World Trade Organization, ITC focused its efforts on helping micro-, small and medium-sized enterprises, including those owned by women and those in least developed countries, to be competitive on the international market. The economic dimension of sustainable development must be taken into account to achieve inclusive growth and the successful implementation of the 2030 Agenda. ITC made a set of tested methodologies available to resident coordinators and to the United Nations development system at large to support national and regional development activities. It also had long experience in supporting United Nations country teams in a flexible manner to deliver results at the national level, thanks to its good working arrangements with UNDP. ITC had been pleased to contribute to the reform process by sharing its experience in flexible, needs-based engagement at the country level.

75. Partnership was fundamental to the implementation of the 2030 Agenda and to the working of the United Nations development system, and ITC worked with private companies, such as eBay and Bosch, on trade-led private sector development as part of its efforts to support specific enterprises. Equally important was its partnership with other entities involved in sustainable development, in particular its parent organizations the United Nations Conference on Trade and Development and the World Trade Organization. ITC looked forward to an even closer working relationship with other United Nations entities involved in the economic dimension of sustainable development and to supporting efforts to reposition the United Nations development system.

76. **The President** invited the Council to take note of the report of the Secretary-General on repositioning the United Nations development system to deliver on the 2030 Agenda: ensuring a better future for all (A/72/124-E/2018/3); the report of the Secretary-General on repositioning the United Nations development system to deliver on the 2030 Agenda: our promise for dignity, prosperity and peace on a healthy planet (A/72/684-E/2018/7); the report of the Secretary-General on implementation of General Assembly resolution 71/243 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system, 2018 (A/73/63-E/2018/8); the report on the first and second regular sessions and annual session of 2017 of the Executive Board of the United Nations Children's Fund (E/2017/34/Rev.1); the report on the first and second regular sessions and annual session of 2017 of the Executive Board of the World Food Programme (E/2018/36); and the note by the Secretariat transmitting the reports of the Executive Board of the United Nations Entity for Gender Equality and the Empowerment of Women on its first and second regular sessions and its annual session of 2017 (E/2018/65).

77. *It was so decided.*

Closing of the segment

78. **The Deputy Secretary-General** said that she was encouraged by Council members' agreement on critical aspects of the proposed reforms, which were the product of intensive consultations with Member States, United Nations entities, an expert reference group and other stakeholders. She appreciated the Council's guidance and support in crafting proposals that responded to the mandates emanating from the 2016 quadrennial comprehensive policy review and the 2030 Agenda and that demonstrated the collective commitment to achieving a more effective, cohesive and accountable United Nations development system.

79. **The President** said that Member States must translate words into action by agreeing on an ambitious set of measures to revitalize the United Nations development system in order to accelerate implementation of the 2030 Agenda. The constructive nature of the Council's deliberations during the current segment augured favourably for the success of the General Assembly's upcoming consultations on the

repositioning of the United Nations development system.

80. Several areas of agreement had emerged during the Council's deliberations. First, UNDAFs must provide comprehensive, results-based work plans for all United Nations entities and must be drafted in consultation with Governments in accordance with national priorities. Their implementation must also be underpinned by strengthened collaboration between United Nations country teams and non-resident agencies, including regional entities. The proposed role of UNDP as a support platform for the implementation of the Sustainable Development Goals needed to be clarified, and the gaps and overlaps in United Nations development system support to the achievement of the Goals identified in the Secretary-General's report (A/72/124-E/2018/3) must be addressed.

81. Second, resident coordinators must work in a more independent, cohesive, agile and results-oriented manner. Further clarification was also required regarding the proposal to strengthen the role of resident coordinators as central focal points for discussions with host Governments, while ensuring respect for existing reporting and accountability lines between United Nations entities and their governing bodies.

82. Third, a system-wide approach to partnerships must be developed and basic criteria formulated to determine the suitability of potential partners, such as alignment with the Organization's values and the ability to contribute meaningfully to the achievement of the Sustainable Development Goals. In addition, there must be a clearer understanding of the envisaged role of resident coordinator offices as a one-stop shop for partnerships at the country level.

83. Fourth, a common focus on the 2030 Agenda was essential to the success of a system-wide approach to sustainable development, as exemplified by the system-wide strategic document prepared by UNDG in accordance with General Assembly resolution 71/243 and the common chapter in the strategic plans of four United Nations entities for 2018–2021. Moreover, existing lines of accountability should not hinder coherence at the country level.

84. Fifth, core funding for development activities, as well as the use of well-designed pooled funding mechanisms, should be increased to ensure predictability, efficiency, effectiveness, cohesiveness and a results-based approach. In that connection, Member States looked forward to the proposed funding dialogue.

85. Sixth, the accountability of the United Nations development system to Member States should be strengthened, and the review of the working methods of the executive boards of development system entities in accordance with General Assembly resolution 71/243 should continue. Further attention should also be given to the proposals to establish a system-wide evaluation function and to gradually merge the executive boards of the funds and programmes, bearing in mind the need to ensure the fiduciary accountability of individual agencies.

86. Lastly, the proposal to divide the operational activities for development segment into two annual sessions might also need to be discussed in the context of the review of the implementation of General Assembly resolution 61/16 on the strengthening of the Council under General Assembly resolution 68/1.

The meeting rose at 4.50 p.m.